



FASS - PH

Spring/Summer 2019



Session 2: Financial Reporting Models and Reporting Requirements

- Describe the financial reporting requirements under UFRS
- Provide a brief introduction to the FASS-PH System
- Discuss the different financial reporting models
 - A description of each reporting model
 - The applicability of each model based on a PHA size
 - FDS reporting requirements for each model





FASS Reporting Requirements

Uniform Financial Reporting Standards

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- Applicability
- Submission of Financial Information
- Reporting Compliance Dates
- Annual Financial Report Filing Dates
- Responsibility for Submission of the Financial Report



- UFRS Rule is applicable to all entities that receive HUD Financial Assistance:
 - Low-rent, Section 8, Combined, and Multifamily
 - PHAs that are non-profits, part of non-profits, or part of another government (e.g., department of a city)
 - Moving to Work PHAs



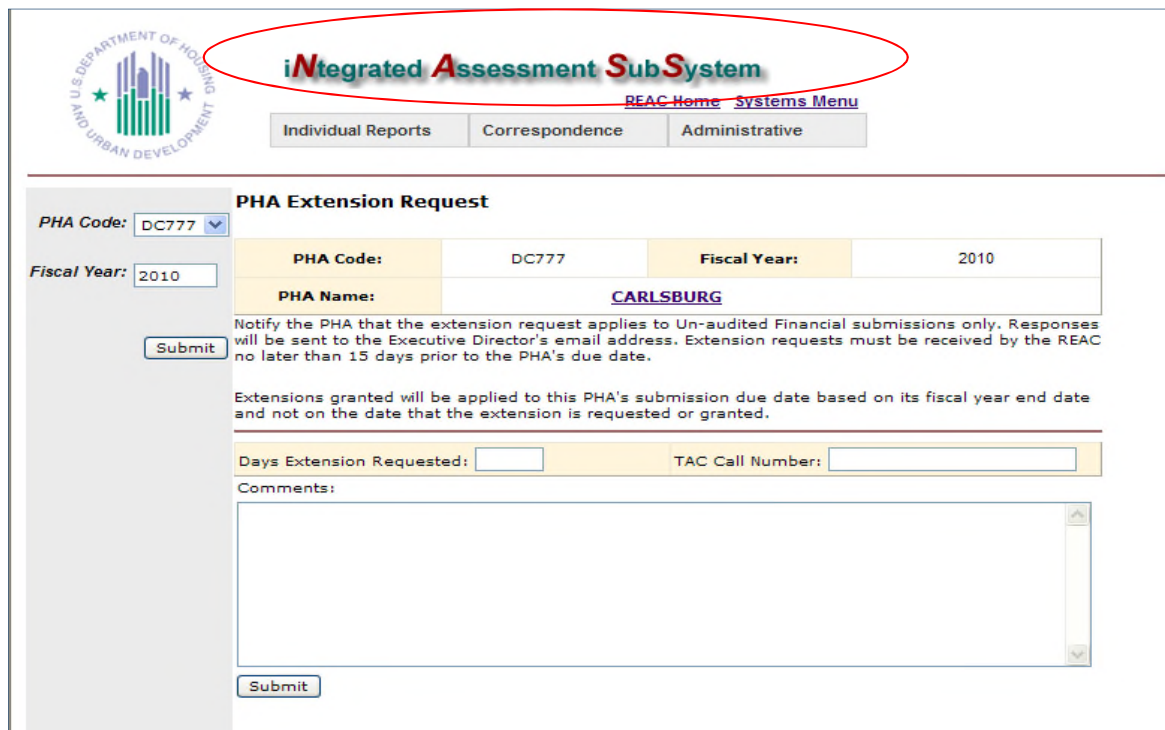
Financial Reporting Schedule Due Date

Fiscal Year End (FYE)	06/30	09/30	12/31	03/31
Unaudited (due 2 months after FYE)	08/31	11/30	02/28	05/31
Audited (due 9 months after FYE)	03/31	06/30	09/30	12/31



Extension Request

- Request Additional Time for an Unaudited Submission
- Request is Due 15 days prior to the Submission Due Date



The screenshot displays the iNtegrated Assessment SubSystem (IAS) interface. At the top, the U.S. Department of Housing and Urban Development logo is on the left, and the title "iNtegrated Assessment SubSystem" is centered, with "REAC Home" and "Systems Menu" links to its right. Below the title are three tabs: "Individual Reports", "Correspondence", and "Administrative". The main section is titled "PHA Extension Request". On the left, there are input fields for "PHA Code:" (set to "DC777") and "Fiscal Year:" (set to "2010"), with a "Submit" button below them. The main content area contains a table with the following data:

PHA Code:	DC777	Fiscal Year:	2010
PHA Name:	CARLSBURG		

Below the table, a notification states: "Notify the PHA that the extension request applies to Un-audited Financial submissions only. Responses will be sent to the Executive Director's email address. Extension requests must be received by the REAC no later than 15 days prior to the PHA's due date." Another note follows: "Extensions granted will be applied to this PHA's submission due date based on its fiscal year end date and not on the date that the extension is requested or granted." Below these notes are input fields for "Days Extension Requested:" and "TAC Call Number:". At the bottom, there is a "Comments:" section with a large text area and a "Submit" button.

Waiver Request

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- Request Additional Time for an Audited Submission
- PIH Notice 2009-41
- Written request to local field office
 - Request is Due 30 days prior to Submission Due Date
 - Include Verifiable Justification
 - Include Reference to Applicable Regulation





The FASS-PH System

Introduction to the FASS-PH System

- Meets UFRS Requirements
 - GAAP-based System
 - Web-based Electronic System
 - In Form and Substance as prescribed by HUD
- In conformity with Final Rule: Revisions to Public Housing Operating Fund Program
 - Asset Management Model
 - Project Level Reporting
 - All PHAs must use the same FDS Template



Introduction to the FASS-PH System, cont'd.

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- Part of HUD's Monitoring and Oversight Responsibilities
 - Helps Assess Financial Health & Compliance
 - Identifies Possible Instances of Waste, Fraud, and Abuse
 - Helps in Risk Ranking of Portfolio
 - Used to Inform Policy Decisions
 - Used in Funding Formulas



FASS-PH Website

HUD > Program Offices > Public and Indian Housing > Real Estate Assessment Center (REAC) > REAC > Financial Assessment of Public Housing Agencies

Financial Assessment of Public Housing Agencies (FASS PHA)

FASS PH reviews the annual financial statements of over 4,000 public housing agencies and section 8 only entities in the country to assess their financial condition and risk.

Mixed Finance Properties

Entering mixed finance property status in the "Mixed Finance Exempt from FASS-ph" field in IMS/PIC.

LEARN MORE

1 2 3 4 5 6 7 8 9

General Guidance on the Definition of a Mixed Finance Property

Within the Office of Public and Indian Housing (PIH), there are various "definitions" of a mixed finance property. In addition, a number of data sources are being used to determine a property's mixed finance status for different purposes. To date, there has not been a controlling definition of a mixed finance property nor a single data source that is relied on to determine a property's status. To address this, the following guidance is provided:

- Only those properties with a fully executed mixed finance amendment to their Annual Contributions Contract (ACC) will be considered mixed finance for PHAS scoring and future operating subsidy funding calculations. (Under PHAS, mixed finance properties do not receive a FASS or a Management Operations score.)
- Beginning with fiscal year end September 30, 2016, and continuing thereafter, the data source for whether a property is mixed finance will be the "FASS ph" indicator in the Inventory Management System/PIH Information Center (IMS/PIC) (see below). If a property is mixed finance (and therefore has a fully executed mixed finance ACC amendment) the "FASS ph" indicator should be marked "yes."

HUD Photo

View all Highlights: complete listing of past and current highlighted information in FASS PH affecting compliance and financial reporting to HUD by public housing agencies and section 8 only entities.

Financial Submission Tools

- Accounting Briefs
- Calendar of Financial Submission
- Frequently Asked Questions
- FDS Line Definition Guide - July 2014
- FDS Submission Upload Tool
- Find Your Financial Analyst
- GAAP Flyers
- GASB Statements Updated in the FDS
- Program & Entity Reporting in the FDS
- Submission Tips

Other Information

- Asset Management
- Appeal & Waiver Process
 - Appeals & Waivers Submitted to NASS
 - Appeal Process
 - Waiver Request Process
- Documents & Guidance
- Financial Scoring Notices
- PHAS & UFRS Rule
- FASS PH Team

Print Friendly Version

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Systems Information

- Login to FASS PH
- Registration Instructions
 - PHA User Quick Tips
 - PHA Coordinator Quick Tips
 - Step by Step Guide for PH Coordinator
 - Coordinator: Assign roles to staff, accountant & auditors
- Password Reset
- FASS PH User Guide
- FASS System Updates
- FASS PH XML Interface
 - Changes in XML Interface
- Other REAC Systems (i.e. MASS, NASS, etc.)
- REAC Customer Service (TAC)

Useful Links

- AICPA
- CFDA - HUD Programs
- Federal Register
- GASB
- GAO (Yellow Book)
- HUD Library
- PIH Notices
- 24 CFR Housing and Urban Development
- OMB Circulars (A-87 & A-133)
- OMB Guidance for Grants & Agreements (2 CFR 200)



Asset Management/Project-Based Accounting Website

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Project-Based Accounting

Overview

The third core reform under asset management is project-based accounting. Project-based accounting provides the ability to track financial performance at the project-level. Ultimately, project-based accounting provides the necessary information to make effective decisions at the project-level.

- As with other federally-assisted housing programs, PHAs will be required to submit to HUD year-end financial statements on each project. These financial statements will include revenue, expense, and balance sheet items.
- Further, PHAs will only be able to charge projects for services actually received. For example, in accounting for project costs, PHAs will not be permitted simply to spread the cost of central maintenance across projects.
- Lastly, any overhead fees and any fees for centrally-provided property management services, must be considered reasonable. This means that the costs must not exceed what other efficient operators would incur for those same services in the local market.

Resources and Links

- ▶ **(NEW)** Special Instructions for Preparing Financial Data Schedules for Moving to Work Agencies
- ▶ Guidance on Asset Management Provisions in the Consolidated Appropriations Act, 2008
- ▶ Special Year-End Financial Reporting Issues for Demolition/Disposition Projects (08-17-2009)
- ▶ Information Regarding the September 2009 System Release and the Impact on Public Housing Agency (PHA) Annual Financial Submissions
- ▶ Capital Fund Stimulus Grant Reporting
- ▶ Clarification of Phase-in-Fees (11-24-2008)
- ▶ Financial Data Schedule Line Definition Guide, November 2008 (Updated May 2012)
- ▶ Asset Management FASS-PH Submitting a Financial Data Schedule Pre-view Demonstration
- ▶ FASS PH - Excel Version of the Financial Data Schedule
- ▶ PIH Notice 2007-9 - Updated Changes in Financial Management and Reporting for Public Housing Agencies Under the New Operating Fund Rule (24 CFR Part 990), issued April 10, 2007.
 - ▶ PIH Notice 2007-9 Supplement to Financial Management Handbook Office of Public and Indian Housing (PIH) Revised April 2007
 - ▶ PIH Notice 2007-9 Comments
- ▶ Capital Fund Reporting
- ▶ Eligible Uses of Funds
- ▶ FDS Under Asset Management & Reporting Briefs
- ▶ Eligible Uses of Operating Fund Program Receipts
- ▶ Fiscal Year End Changes
- ▶ Insurance
- ▶ Schedule of Key Asset Management Provisions
- ▶ 2013 Schedule of Management Fees

Print Friendly Version

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Indian Housing

ONAP ensures that safe, decent and affordable housing is available to Native American families and creates economic opportunities for Tribes and Indian housing residents.

LEARN MORE

Housing Choice Voucher

Housing Choice Vouchers allow very low-income families to choose and lease or purchase safe, decent, and affordable privately-owned rental housing.

LEARN MORE

Public Housing

Providing decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities.

LEARN MORE



Additional HUD Resources

- **Housing Choice Voucher Program**

Additional financial and accounting related information, including information on the Voucher Management System (VMS) related to the HCV program and other PIH voucher programs (i.e., Disaster Voucher program (DVP)), can be found at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv

- **Public and Indian Housing One-Stop Tool (POST) for PHAs**

POST website provides in one place, commonly used links to PIH systems, tools, training, opportunities, program requirements, and commonly used external websites. The website can be found at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/post





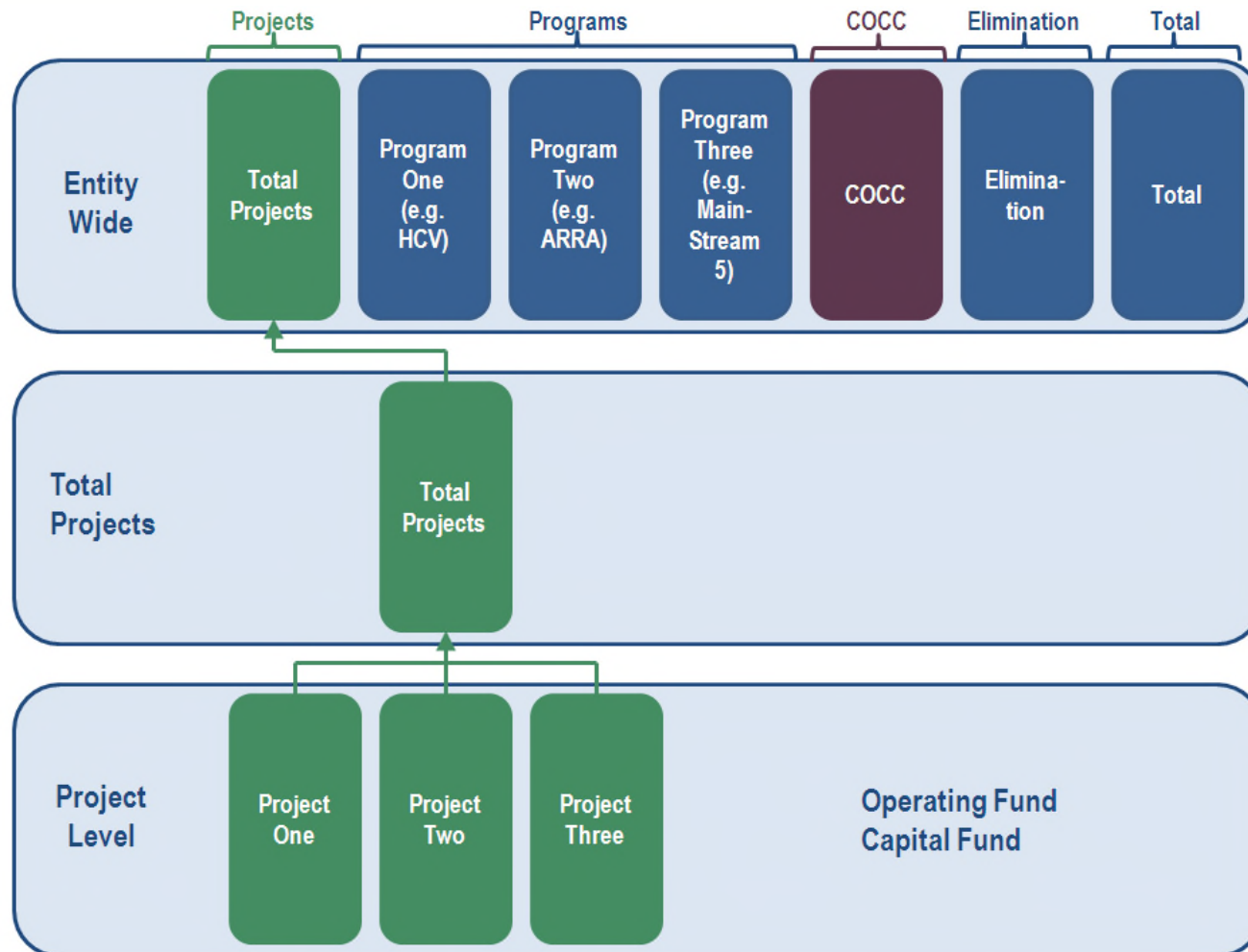
Financial Reporting Models

Four Reporting Models

- Model 1 – Asset Management with COCC
- Model 2 – Asset Management using Allocated Overhead
- Model 3 – Non-asset Management
- Model 4 – Small PHAs under Asset Management
- HUD Accounting Brief #16

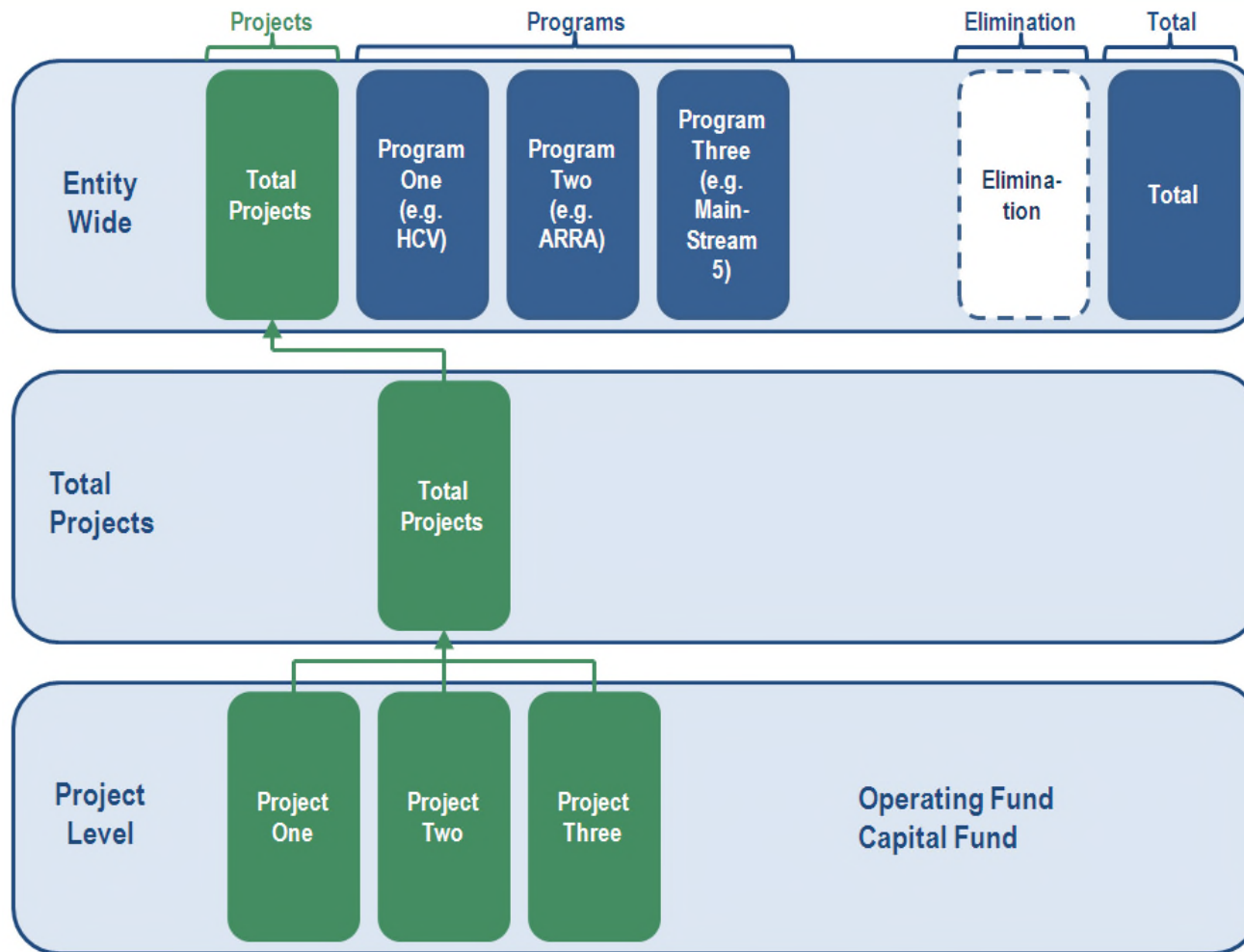


FDS Template – Model 1

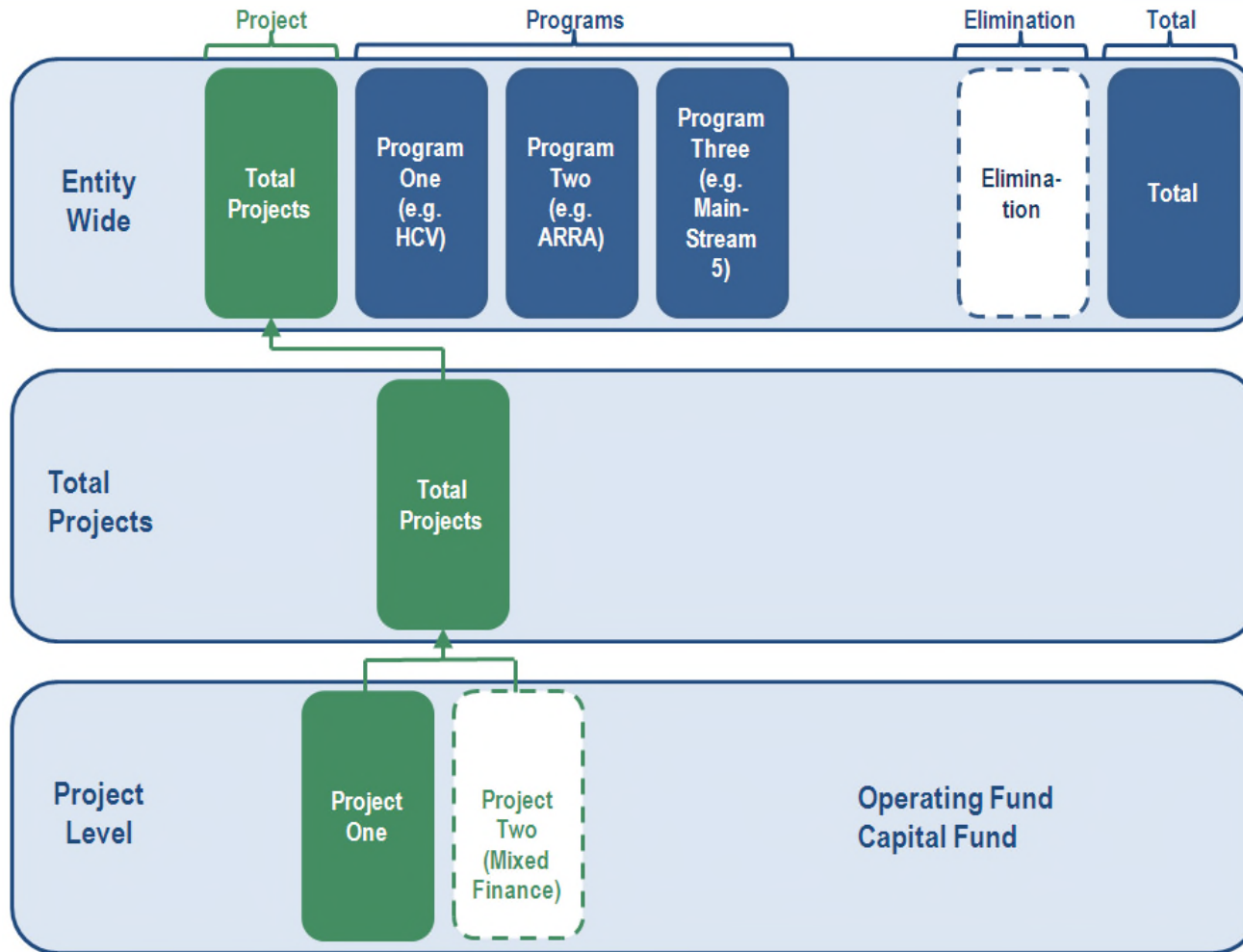


FDS Template – Model 2

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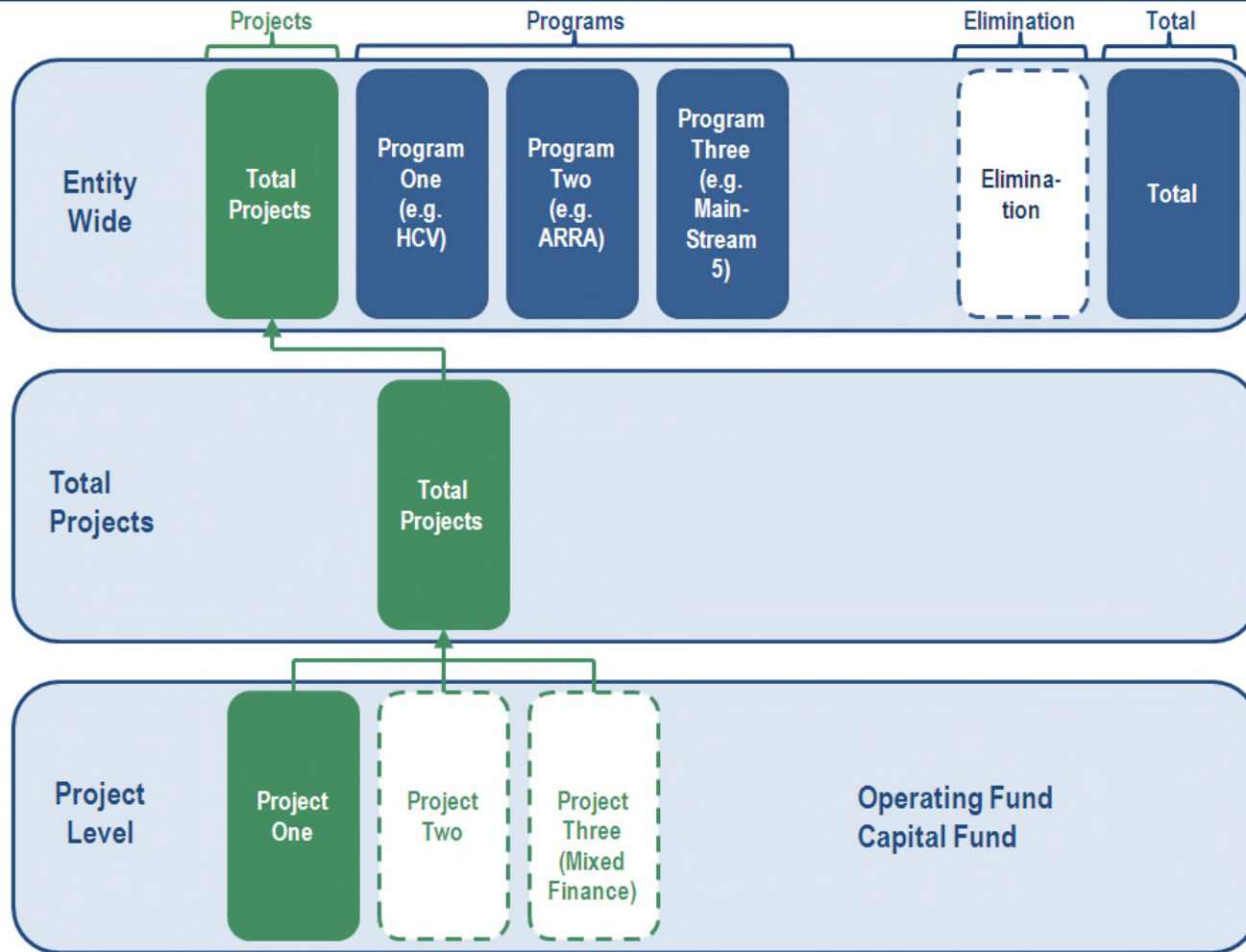


FDS Template – Model 3



FDS Template – Model 4

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Asset Management Reporting Models and FDS Reporting Types

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FDS Reporting Types	Model 1 PHAs under Asset Management <u>with</u> COCC	Model 2 PHAs under Asset Management with Allocated Overhead and no COCC	Model 3 PHAs not under Asset Management	Model 4 Small PHAs under Alternate Asset Management Method
1. Non-Asset Mgmt with Elimination Only			•	
2. Non-Asset Mgmt with COCC/Elimination				
3. Non-Asset Management			•	
4. Asset Mgmt without COCC/Elimination		•		•
5. Asset Mgmt with Elimination		•		•
6. Asset Mgmt with COCC/Elimination	•			



Cost Reasonableness

- All PHAs reporting under asset management were required to comply with Cost Reasonableness by 2011.

PHA Fiscal Year End	Per Financial Management Handbook		Current HUD Guidance
	Project-based Budgets and Project-based Accounting	Cost Reasonableness	Cost Reasonableness
June	07/01/2007 through 06/30/2008 and after	07/01/2008 through 06/30/2009 and after	07/01/2010 through 06/30/2011 and after
September	10/01/2007 through 09/30/2008 and after	10/01/2008 through 09/30/2009 and after	10/01/2010 through 09/30/2011 and after
December	01/01/2008 through 12/31/2008 and after	01/01/2009 through 12/31/2009 and after	01/01/2011 through 12/31/2011 and after
March	04/01/2008 through 03/31/2009 and after	04/01/2009 through 03/31/2010 and after	04/01/2011 through 03/31/2012 and after



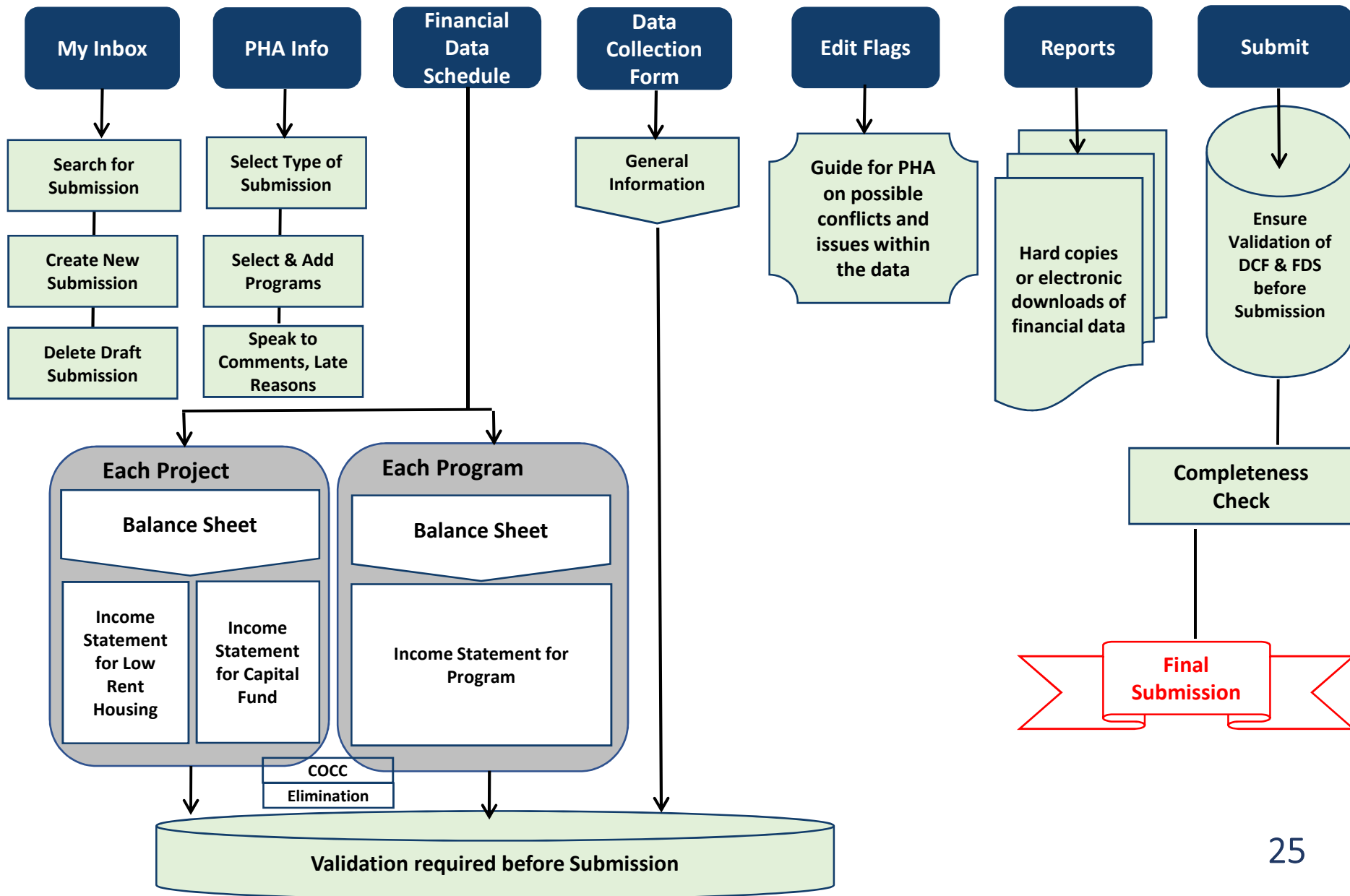


Understanding the Unaudited Submission Process

- All PHAs are required to submit unaudited financial data to HUD.
- The unaudited submission generally consists of:
 - Financial Data Schedule (FDS)
 - Data Collection Form (DCF) – General Information tab only
 - Submission Comments
- Submission Comments
 - While optional, it is strongly suggested that the PHA address any issues that were questioned in prior REAC reviews and any other reporting requirements that may cause the submission to be rejected.



Unaudited Submission Process



PHA Info Screen: Asset Management Types

- Asset management is a business model that is used by PHAs administering public housing.
- The PHA must select an asset management type on the PHA Info Screen.

The screenshot shows a form titled "Asset Management" with a list of six radio button options. A red oval is drawn around the entire list of options. The options are:

- ☐ Non-Asset Management with Elimination Only
- ☐ Non-Asset Management with COCC/Elimination
- ☐ Non Asset Management
- ☒ Asset Management without COCC/Elimination
- ☐ Asset Management with Elimination Only
- ☐ Asset Management with COCC/Elimination



Understanding the Audited Submission Process

Audited Submission: 3-Step Procedure

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1. Draft Status

- PHA creates a draft “Audit Submission” (Upload unaudited submission and make any changes required)
- Unlike Unaudited Submissions, the Audited Submission must include:
 - ◆ Notes to Financial Statements
 - ◆ Audit Info
 - ◆ Action plan, if applicable
 - ◆ Audited Financial Statements
 - ◆ Management Discussion & Analysis (MD&A)
 - ◆ Audit Findings
- Once submitted, status changes to “IPA Review”



Audited Submission: 3-Step Procedure

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2. IPA Review Status

- IPA performs agreed upon procedures (AUP)
- Status changes to “IPA Agree” or “IPA Disagree”
- If IPA disagrees, PHA must edit “IPA Disagree Submission”

3. Submission to HUD

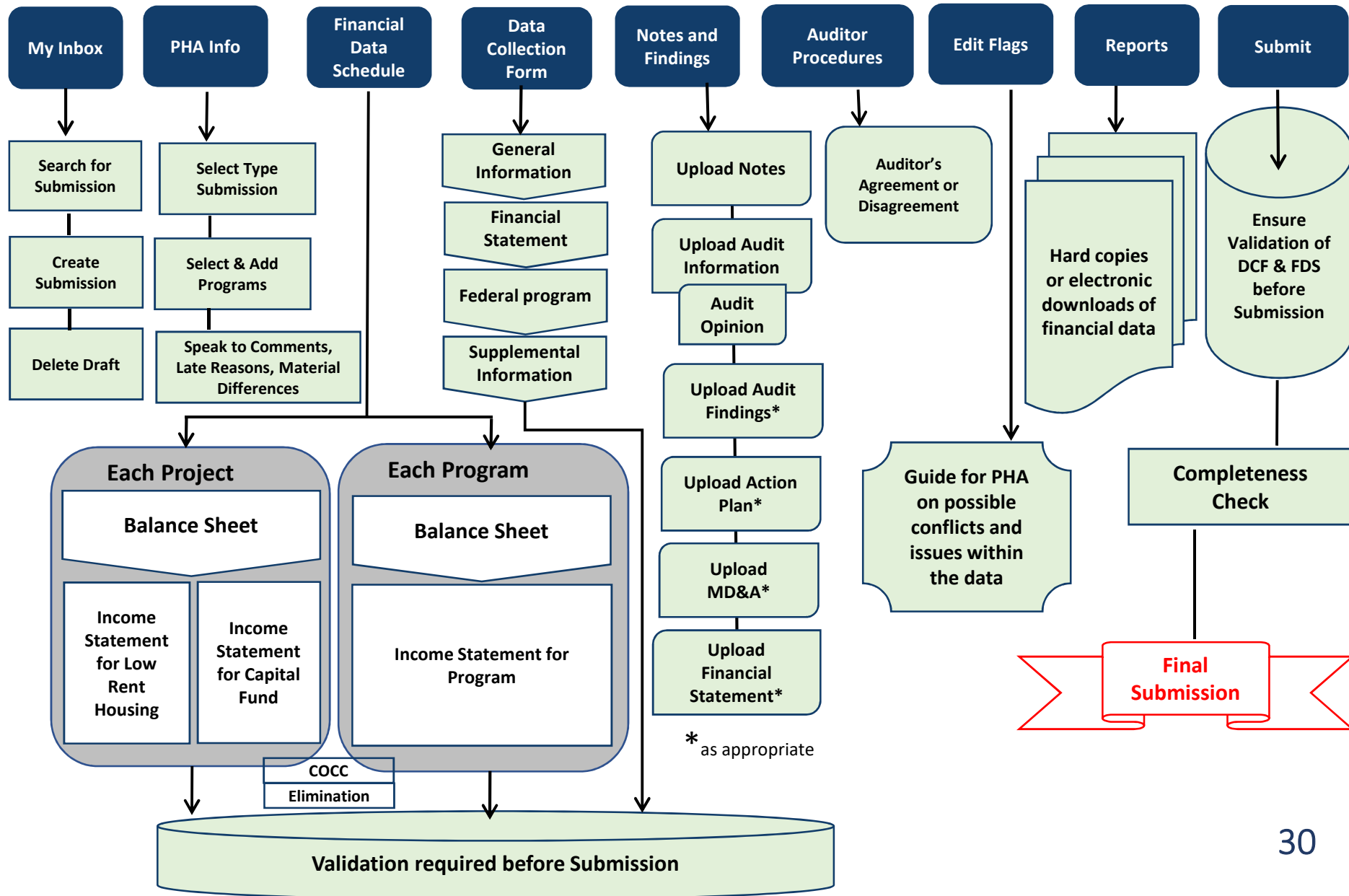
- One CPA approves the AUP (Step 2), PHA must Submit the Audited Statements

4. HUD Review and Acceptance

- PIH-REAC reviews and approves or rejects submission
- Process is complete once audited submission is approved



Audited Submission Process





Data Collection Form

Data Collection Form

- Unaudited Submission

- Includes General information for PHA

- ◆ Name, address, contact info, etc.
 - ◆ Auditor information
 - ◆ Fee Accountant information
 - ◆ Federal Awards expended data

- Audited Submission

- The DCF consists of the following 4 tabs:

- ◆ General Information
 - ◆ Financial Statements
 - ◆ Federal Programs
 - ◆ Supplemental Information



DCF – General Information Tab



Real Estate Assessment Center **Financial Assessment Subsystem (FASS-PH)**

My Inbox PHA Info FDS **DCF** Submit Edit Flags Reports Logout

General Information

PHA Information

PHA Code	CA999
PHA Name	Hometown Housing Authority
Fiscal Year End Date:	06/30/2015
Submission Type:	Unaudited/A-133

Unaudited / Single Audit

General Information			
Element#	Description	Value	Details
*G9000-010	Fiscal Year Ending Date	06/30/2015	---
*G2000-021	Reporting Period Covered	None ▾	---
*G2000-031	Reporting Period Covered - Months	<input type="text"/>	---
*G9000-020	Employer Identification Number	<input type="text"/>	---
*G2000-040	Multiple EIN Indicator	None ▾	---
*G9000-030	Data Universal Numbering System (DUNS) Number	<input type="text"/>	---
*G2000-050	Multiple DUNS Indicator	None ▾	---



DCF – Financial Statements Tab: Audit Details

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- Audit Details Page requests Fund Type and Fund Opinion
 - PHAs are required to enter the Fund Type and Fund Opinion for each opinion unit
 - An opinion unit is a major fund or group of non-major funds that receive a financial statement opinion by the auditor
 - If the PHA is reporting only a single fund – all fund types should be marked as “major”
- The DCF is requesting information on the fund type and fund opinion that the CFDA Program is contained in. The DCF is NOT asking for a financial statement audit opinion of the CFDA Program.



DCF – Financial Statements Tab: Audit Details, cont'd.

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CFDA#	NAME OF PROGRAM	DETAILS
14.850	Fund Type and Opinion of the Fund containing Low Rent Public Housing	
*G3000-200	Fund Type	Non Major Fund ---
*G3000-210	Fund Opinion	Unmodified Opinion ---
*G3000-220	Is the Departure or qualification related to the Low Rent Program?	No ---
14.872	Fund Type and Opinion of the Fund containing Public Housing Capital Fund Program	
*G3000-200	Fund Type	Non Major Fund ---
*G3000-210	Fund Opinion	Unmodified Opinion ---
*G3000-220	Is the Departure or qualification related to the Capital Fund Program?	Yes ---
14.866	Fund Type and Opinion of the Fund containing Revitalization of Severely Distressed Public Housing	
*G3000-200	Fund Type	Major Fund ---
*G3000-210	Fund Opinion	Modified Opinion ---
8	Fund Type and Opinion of the Fund containing Other Federal Program 1	
*G3000-200	Fund Type	Major Fund ---
*G3000-210	Fund Opinion	Modified Opinion ---
14.871	Fund Type and Opinion of the Fund containing Housing Choice Vouchers	
*G3000-200	Fund Type	Major Fund ---
*G3000-210	Fund Opinion	Modified Opinion ---



DCF – Financial Statements Tab



Real Estate Assessment Center Financial Assessment Subsystem (FASS-PH)

My Inbox	PHA Info	FDS	DCF	Notes and Findings	Submit	Edit Flags	Reports	Logout
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General Information	PHA Information	
Financial Statement	PHA Code	CA999
Federal Program	PHA Name	Hometown Housing Authority
Supplemental Information	Fiscal Year End Date:	12/31/2015
	Submission Type:	Audited / Single Audit

Financial Statement			
Element#	Description	Value	Details
*G3000-005	Financial Statements Using Basis Other Than GAAP	No	---
		<input type="checkbox"/> Modified Opinion <input checked="" type="checkbox"/> Unmodified Opinion <input type="checkbox"/> Adverse Opinion <input type="checkbox"/> Disclaimer of Opinion	[Details]
*G3000-010	Type of Audit Report		
*G3000-020	Going Concern Indicator	Yes	---
*G3000-030	Significant Deficiency Indicator	Yes	[Details]
*G3000-040	Material Weakness Indicator	Yes	[Details]
*G3000-050	Material Noncompliance Indicator	Yes	[Details]
*G3000-060	Fraud	Yes	[Details]
*G3000-070	Illegal Acts	Yes	[Details]
*G3000-080	Abuse	Yes	[Details]

Yellow Book

*mandatory field



- Values selected on financial statements tab must match:
 - Auditor's Report on Financial Statements
 - Auditor's Report on Compliance and Internal Control over Financial Reporting
 - If the auditor notes any significant deficiencies (G3000-030) or material weaknesses (G3000-040), the respective box should be marked with a "Yes" on the financial statements tab.



DCF - Federal Programs Tab



Real Estate Assessment Center

Financial Assessment Subsystem (FASS-PH)

My Inbox PHA Info FDS **DCF** Notes and Findings Submit Edit Flags Reports Logout

General Information

Financial Statement

Federal Program

Supplemental
Information

PHA Information

PHA Code: **PHA** Fiscal Year End Date: 12/31/2015
 PHA Name: Housing Authority PHA County
 Submission Type: Audited/Single Audit

Federal Program			
Element#	Description	Value	Details
*G4000-020	Dollar Threshold Used to Distinguish Type A and Type B Programs	\$750,000	---
*G4000-030	Low-Risk Auditee Indicator	Yes	---
*G4000-040	Indicator-Any Audit Findings Disclosed that are Required to be Reported	Yes	---
*G4000-080	Was a Schedule of Prior Audit Findings prepared?	Yes	---
*G4100-040	Total Federal Awards Expended	\$8,885,997	[Details]

*mandatory field



DCF – Financial Programs Tab, cont'd.

- The Federal Programs page includes dollar threshold, opinion and findings, agency risk indicator, and Total Federal Awards Expended (TFAE).
- Information reported should match:
 - Auditor's Report on Compliance and Internal Control (Major Program),
 - Auditor's Schedule of Expenditure of Federal Awards (SEFA), and
 - Auditor's Schedule of Findings and Questioned Costs



DCF – Federal Programs TFAE Details

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14.871	Housing Choice Vouchers		
*G4100-030	Amount Expended	\$7,338,716	---
*G4200-010	Major Federal Program Indicator	Yes	---
*G4200-050	Type of Opinion on Major Federal Program	Unmodified Opinion	---
*G4200-060	Number of Single Audit Compliance Audit Findings	0	[Details]
G4200-070	Audit Finding Reference Number		---
*G4200-090	Are Awards Received Directly from a Federal Agency?	Yes	---
*G4200-100	Significant Deficiency Indicator	No	---
*G4200-110	Material Weakness Indicator	No	---
*G4200-120	Material Non-compliance Indicator	No	---
*G4100-050	Total Amount of Questioned Costs	\$0	---



DCF – Supplemental Information Tab

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Real Estate Assessment Center Financial Assessment Subsystem (FASS-PH)

My Inbox	PHA Info	FDS	DCF	Notes and Findings	Submit	Edit Flags	Reports	Logout
General Information								
Financial Statement								
Federal Program								
Supplemental Information								
PHA Information								
PHA Code:		Fiscal Year End Date 12/31/2015						
PHA Name:								
Submission Type:		Audited / Single Audit						

Supplemental Information			
ELEMENT#	DESCRIPTION	VALUE	DETAILS
*G3100-040	SAS 119 "in relation to" Opinion on the Financial Data Schedule	Fairly Stated	---
Required Supplemental Information			---
*G3100-050	Is MD & A omitted? <i>(For PHAs reporting as a non-profit, select "No" for this element. This question should be skipped for all component unit submissions.)</i>	No	---
*G3100-060	Are other supplemental Information Omitted?	No	---

*mandatory field





PHA Information Screen and Component Unit Check Box

The Component Unit Check Box

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- Two criteria must be met in order to select the Component Unit box on the PHA Info page:
 - PHA is a component unit, department or program of a local government or jurisdiction or nonprofit agency.
 - PHA will not have its own separate Single Audit (or non Single Audit).
- Checking the CU box is not simply an issue of whether the entity is a component unit as defined by GASB.



The Component Unit Check Box, cont'd.

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- For PHAs that select the Component Unit box, there are 4 required attachments:
 - Notes to Financial Statements,
 - Audit information (currently mandatory),
 - Audit Findings (if applicable), and
 - Action Plan (if applicable)
- All other PHAs must submit the required audit attachments based on the audit type selected.





Required Audit Attachments

Required Audit Attachments: Uniform Guidance (UG) Audit

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- Uniform Guidance Audit:

1. RSI (MD&A and GASB 68)
2. Basic Financial Statements: Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows
3. Notes to the Basic Financial Statements
4. Auditor's Report on Financial Statements
5. Auditor's Report on Compliance and Internal Control (Government Auditing Standards)
6. Auditor's Report on Compliance and Internal Control (Major Program)
7. Schedule of Expenditure of Federal Awards
8. Schedule of Findings and Questioned Costs
9. Schedule of Prior Audit Findings
10. Corrective Action Plan



Required Audit Attachments: Non UG Audit

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- Non Non-Single Audit (Yellow Book Audit):
 1. Required Supplemental Data (MD&A and GASB 68)
 2. Basic Financial Statements: Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows
 3. Notes to the Basic Financial Statements
 4. Auditor's Report on Financial Statements
 5. Auditor's Report on Compliance and Internal Control (Financial Reporting)



Required Audit Attachments

- Audit Information must be attached to the appropriate section of the Notes & Findings page
 1. RSI (MD&A and GASB 68)
 2. Financial Statements
 3. Notes to the Financial Statements
 4. Audit Information
 5. Audit Findings
 6. Action Plan



Required Audit Attachments: MD&A

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Real Estate Assessment Center **Financial Assessment Subsystem (FASS-PH)**

My Inbox	PHA Info	FDS	DCF	Notes and Findings	Submit	Edit Flags	Reports	Logout
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Notes	PHA Information PHA Code: CA999 PHA Name: Hometown Housing Authority Fiscal Year End Date: 06/30/2008 Submission Type: Audited/A-133
Audit Information	
Action Plans	
Financial Statements	
MD&A	
Audit Findings	

MD & A		
Element	Description	Value
G5050-010	Management's Discussion & Analysis	<input type="text"/> <input type="button" value="Browse..."/> <input type="button" value="Upload File(Max size is 30MB)"/>

- Provides an analytical overview of the PHA's financial activities
- Topics prescribed by GASB 34 to be included in the **MD&A**:
 - Brief discussion of basic financial statements
 - Comparative analysis of current and prior year financial information
 - Known information expected to impact financial operations
 - Reported figures and data must be consistent with FDS, F/S, DCF



Required Audit Attachments: GASB 68

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- New FDS Lines in REAC template
 - 200 – Deferred Outflows
 - 357 – Accrued pension and OPEBs
 - 400 – Deferred Inflows
- 10-year schedules regarding:
 - Sources of changes in the components of NPL
 - Ratios that assist in the assessing the magnitude of the NPL
 - Comparisons of actual employer contributions to actuarially required amounts



Required Audit Attachments: Financial Statements

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Real Estate Assessment Center **Financial Assessment Subsystem (FASS-PH)**

My Inbox	PHA Info	FDS	DCF	Notes and Findings	Submit	Edit Flags	Reports	Logout
Notes								
Audit Information								
Action Plans								
Financial Statements								
MD&A								
Audit Findings								

PHA Information	
PHA Code	CA999
PHA Name	Hometown Housing authority
Fiscal Year End Date:	06/30/2008
Submission Type:	Audited/A-133

■ Government-wide Financial Statements

- Statement of Net Position
- Statement of Activities
- Statement of Cash Flows (full accrual)

Financial Statements		
Element	Description	Value
G5150-010	Government-wide AND OR Fund Financial Statements	<input type="text"/> <input type="button" value="Browse..."/> <input type="button" value="Upload File(Max size is 30MB)"/>

■ Fund Financial Statements

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows



Required Audit Attachments: Notes to Financial Statements

■ The attached Notes tab:

- Should be Completed and Properly Presented
- Amounts should tie to FDS and/or F/S

■ Topics include:

- Summary of Significant Accounting Policies
- All Other Disclosures



Real Estate Assessment Center Financial Assessment Subsystem (FASS-PH)

My Inbox	PHA Info	FDS	DCF	Notes and Findings	Submit	Edit Flags	Reports	Logout																						
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Required Audit Attachments: Audit Information



Real Estate Assessment Center **Financial Assessment Subsystem (FASS-PH)**

My Inbox PHA Info FDS DCF **Notes and Findings** Submit Edit Flags Reports Logout

Notes

Audit Information

Action Plans

Financial Statements

MD&A

Audit Findings

PHA Information

PHA Code	CA999
PHA Name	Hometown Housing Authority
Fiscal Year End Date:	06/30/2008
Submission Type:	Audited/A- 133

Audit Information		
Element	Description	Value
G5100-010	Opinion on Supplemental Information	None <input type="button" value="Save Opinion Type"/>
G5100-020	Auditor Opinions and Schedule of Expenditure of Federal Awards	<input type="button" value="Browse..."/> <input type="button" value="Upload File(Max size is 30MB)"/>

■ The following attachments belong in the Audit Information Tab:

- Auditor's opinion and Financial Statements
- Auditor's Report on Compliance Internal Controls (Yellowbook Report)
- Auditor's Report on Internal Compliance and Internal Control (Major Programs)
- SEFA should match TFAE (including CFDA #) on DCF



Required Audit Attachments: Audit Findings



Real Estate Assessment Center **Financial Assessment Subsystem (FASS-PH)**

My Inbox PHA Info FDS DCF **Notes and Findings** Submit Edit Flags Reports Logout

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Audit Information
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Audit Findings

PHA Information

PHA Code	CA999
PHA Name	Hempstead Housing Authority
Fiscal Year End Date:	06/30/2008
Submission Type:	Audited/A-133

Audit Findings

Element	Description	Value
G5200-010	Audit Finding(Current & Prior Year Findings)	<input type="text"/> Browse... <input type="button" value="Upload File(Max size is 30MB)"/>

- **Summary Schedule of Prior Audit Findings**
- **Auditor's Schedule of Findings and Questioned Costs**
 - Summary
 - Financial Statement Findings
 - Federal Program Findings
- Verify that all opinions and findings match DCF



Required Audit Attachments: Action Plan



Real Estate Assessment Center Financial Assessment Subsystem (FASS-PH)

My Inbox PHA Info FDS DCF **Notes and Findings** Submit Edit Flags Reports Logout

Notes

Audit Information

Action Plans

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MD&A

Audit Findings

PHA Information	
PHA Code	CA999
PHA Name	Hometown Housing Authority
Fiscal Year End Date:	06/30/2008
Submission Type:	Audited/A-133

Action Plans		
Element	Description	Value
G5300-010	Corrective Action Plan (Current & Prior Year Findings)	<input type="text"/> Browse... <input type="button" value="Upload File(Max size is 30MB)"/>

Required if findings are reported for financial reporting and (or) federal programs

Corrective Action Plan should include:

- Identification of each finding and reference
- Description of action taken or explanation
- Name of contact person responsible for corrective action (BE SURE!!)
- Anticipated completion date of corrective action





AU-C 725 and Auditor Attestation

Supplementary Information (SI) and AU-C 725 Opinion

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- SI is presented for purposes of additional analysis and is not a required part of the financial statements:
 - ◆ SEFA – required by Uniform Guidance
 - ◆ FDS – required by HUD
- SI is presented based on AU-C 725: Reporting on Information Accompanying the Basic Financial Statements in Auditor-Submitted Documents



Auditor Attestation

- Auditors are required to perform Agreed Upon Procedures (AUP) in order to assure the accuracy and completeness of the data submitted to PIH-REAC.
- Auditor compares the electronic data in the draft FASS-PH submission to the hard copy of the basic financial statements, audit reports, and FDS.





Common Reporting Issues: Unaudited & Audited Submissions

Common Reporting Problems: Unaudited Submission

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- FASS Data is Materially Different than Other Independent Data Sets
 - Voucher Management System (VMS) examples include:
 - ◆ Housing Assistance Payments
 - ◆ Vouchers Leased
 - ◆ Interest Income
 - ◆ Port-in Information
 - ◆ NRP, UNA, and Cash Balances
 - ◆ Fraud
 - ◆ FSS Escrow Forfeitures
 - Revenue doesn't agree to HUD
 - ◆ HUDCAPS
 - ◆ ELOCCS



Common Reporting Problems: Unaudited Submission, cont'd.

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- HCV Compliance and Financial Distress (not rejected if correctly reported)
 - ◆ Due From's and Operating Transfers Out
 - ◆ Negative Equities
 - ◆ Unit months leased greater than unit months available
- Submission Fails Basic Business Rules



Common Reporting Problems: Unaudited Submission, cont'd.

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- Other General Reporting Problems

- PHA failed to report programs or programs are comingled with other programs
- NRP Adjustment is not reflected in submission
- Elimination column incorrect
- Bank overdrafts
- Debt reported incorrectly
- Interfund amounts on lines 144 & 347
- Management fee calculations
- Security deposits liability & cash
- Equity accounts



Common Reporting Problems: Unaudited Submission, cont'd.

- Other general reporting problems:
 - Restricted cash vs. Unrestricted cash
 - Validation errors
 - Capital funds – Hard & soft costs and revenue
 - Negative expense lines
 - DCF differences
 - Memo fields
 - Prior period adjustments
 - Transfers
 - Unreported PH units



Common Reporting Problems: Audited Submission

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- AU-C 725 opinion on FDS is missing.
- PHA submission type is incorrect, therefore, the wrong attachments were submitted.
- Federal Awards Expended reported in Audit Report is different than what was reported on the Data Collection Form in the system.
- Financial Statements and associated information do not meet minimum professional requirements.



Common Reporting Problems: Audited Submission, cont'd.

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- Auditors Reports do not reconcile to the Data Collection Form (opinions, findings, federal awards expended).
- Financial Statements do not reconcile to the FDS and the differences are material.
- MD&A, Financial Statements, and Notes to the Financial Statements do not reconcile to each other.





Submission Decision

Submission Decision

- REAC's goal is to approve a financial submission that is properly classified and shows data that is a fair reflection of the PHA's financial condition.

Recommendation	Description
Accept	No errors noted and all prior issues corrected
Conditionally Accept	Issues noted, but deemed immaterial
Reject	Errors and/or issues noted that are material or a significant number of small issues are present that cause the submission to be unreliable



Submission Decision, cont'd.

- Keeping in mind REAC's goal, submissions are generally conditionally accepted unless the errors or issues noted are material, meaning the FDS may not provide a fair reflection of the PHA's financial condition.
- Conditionally accepted issues need to be addressed on the audited submission (or next submission).
- Rejected submissions need to be corrected and re-submitted within 15 calendar days of rejection.



Notification and Follow-Up

- PHAs receive notification of conditional acceptance and rejections via NASS.
- Reminder, past due and other notifications are automatically sent to PHAs.
- These notifications are sent using the PHA's email address as reported in PIC.





